HCR Reference Number: 02001



Military Health System Health Care Reengineering:

Be an Innovator and Create the Future!

The HCR staff is always on the lookout for innovative programs and ideas. Please take a few minutes to share yours by completing this form. Thank you!

Title of Initiative: Navy Medicine Best Business Practices (BBP)

Type of Initiative: Knowledge Management

Implementation Site: Navy Medicine Best Business Practices Web Page

Implementation Location: Worldwide

Date Submitted: January 11, 2002

DESCRIPTION OF INITIATIVE

The goal of the Best Business Practices (BBP) initiative is to identify, evaluate, and proliferate best practices in support of Navy Medicine's mission of Force Health Protection and focus on Readiness, Optimization and Integration. In addition BBPs should "result in best value, indicated by increased market share, reduced cost, reduced cycle time, improved quality, increased productivity, and/or return on investment."

What do we mean when we refer to "Best Business Practices" within Navy Medicine? Where do we find them? How do we share them? How do we know they are "best?" The senior leaders of Navy Medicine have adopted the following definition of a BBP: "a practice that has been shown to produce superior results; selected by a systematic process; and adapted to fit a particular organization." This last aspect is especially important, because the diversity of our organization usually precludes a "one size fits all" approach. Our fiscal realities dictate that we derive the best value per dollar spent through the application of BBPs.

There are several potential sources of BBPs. Generally, there are three broad categories of sources: (1) "Top-Down" sources that may be identified by corporate headquarters; (2) "Bottom-Up" sources that are generated from field activities/commands; and (3) "Lateral" sources that may come from professional literature, industry experts such as the Healthcare Advisory Board, Best Practice Network, Web searches, etc. The identification and evaluation process will consider all of these sources.

The categories outlined in the <u>BBP Guide</u> are consistent with the Approach, Deployment, and Results format used in the Malcolm Baldrige National Quality Award criteria and our Medical Inspector General's team. The criteria include elements of existing tools such as Navy Medicine's Business Case Analysis; Evidence Based Healthcare Analysis, and the Alignment and Integration Model.

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Navy Medicine will focus on developing, identifying, implementing and evaluating BBPs. In developing the BBP guide, we have researched the process for identifying and proliferating BBPs that have been implemented by other large public and private healthcare systems such as the Department of Veterans' Affairs and Tenet Healthcare.

While there are several definitions for "BBPs" from a selection of sources and Web sites, based upon the depth and breadth of these definitions, the Navy Medicine definition for "BBPs" is still relevant. An important element of all definitions is the concept that BBPs are evaluated processes that have been proven successful. Thus, not every good idea is necessarily a BBP. In order to strike a balance between encouraging participation from the field and making the evaluation process rigorous enough to support designation as a BBP, our research suggests a progression of three designations to differentiate good ideas from true BBPs. Navy Medicine designations are:

- (a) Everyday Innovation: creative thinking and skills applied to practical issues. Progress achieved through small, incremental improvements, often ingenious in their design, though limited in scope. There is informal evaluation and documentation. These innovations in healthcare delivery should not be underestimated. By removing the obstacles that hinder the efficient delivery of information and services, they enhance the important work of Navy Medicine.
- (b) Promising Practice: fully implemented programs that positively have affected healthcare delivery improved operational efficiency or provided creative sustainable solutions to stubborn problems. Project results have been formally evaluated and documented but have not met the criteria for sustained superior performance.
- (c) BBP: innovations that have been shown to produce superior results; selected by a systematic process; and adapted to fit a particular organization. These are fully implemented programs, benchmarked and tested, which meet or set new standards or introduce dramatic innovations which result in "best value as indicated by increased market share, reduced cost, reduced cycle time, improved quality, increased productivity, and/or return on investment".

Results of Initiative:

The promulgation of the first Navy Medicine BBP. The Third Party Collection (TPC) Program recovers the cost of health care provided to beneficiaries by billing third party health benefit plans.

BBPs in this program are a result of management initiatives from both "top-down" and "bottom-up" approaches to implementing process improvements to increase collections and provide a better return on investment. Detailed information of the TPC Program is available at Navy Medicine Best Business Practices Web Page.

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